

1918—



—1945

Alfred University Reading, Pa. Entered as 2nd Class matter
Alfred
New York

ALFRED UNIVERSITY LIBRARY

FOREIGN POLICY BULLETIN

An interpretation of current international events by the Research Staff of the Foreign Policy Association

FOREIGN POLICY ASSOCIATION, Incorporated

22 East 38th Street, New York 16, N. Y.

VOL. XXIV, No. 30

MAY 11, 1945

GERMANY DEFEATED—BUT GERMAN PROBLEM REMAINS

WASHINGTON.—“Whoever lights the torch of war in Europe can wish for nothing but chaos,” said Adolf Hitler on May 21, 1935. The awful truth of that comment oppresses Germany today, when the European phase of the war whose torch Hitler lit on September 1, 1939 ended with unconditional surrender by the Germans on May 7. Hitler has bequeathed to the world a wasteland. Since the message of National Socialism has proved empty as well as repulsive, Germany is a political desert. The war has violently wrenched and partially destroyed the foundations of its economy. Desolation spreads out from Germany over the whole of Europe through destroyed cities and hungry populations. The end of the war forces on the victors the grave problem of reconstructing a peaceful and prosperous civilization on the chaotic continent.

THE FUTURE OF GERMANY. The Allies' policy toward Germany itself will in a considerable degree determine the nature and effectiveness of that reconstruction. The character of the future Germany will be affected not only by the development of affairs within the Reich but by the territorial settlements which the Allies arrange with respect to Germany. The proposal for the division of Germany into three independent parts now has little backing from the governments in Washington, London or Moscow, but Germany's neighbors are sure to annex portions of the defeated country. The Yalta Agreement of February 12 provided that Poland be compensated in German territory for the areas awarded to Russia; East Prussia, Silesia and perhaps a considerable portion of Pomerania and the Mark Brandenburg to the Oder River will be lost to Germany in this eastern settlement. In the west Germany is likely to lose the whole territory west of the Rhine. In the south there is a possibility that Austria will be awarded a portion of Bavaria.

This series of partitions would reduce Germany's economic importance for Europe and weaken its ability to restore a war-goods industry. It would cost Germany two of its important raw materials regions, the Saar and Silesia, both of which are also industrial areas. It would reduce drastically the industrial potential of Germany if the partitions were coupled with the establishment of an international control over the factory-rich Ruhr region. The restoration of industry in eastern areas which Germany probably will lose is already under way. The Moscow radio on April 26 reported that coal and zinc ore was being mined in the Buethen district, Upper Silesia, under Soviet control, and that “thousands of German workers” were employed in a machine tool factory in Liegnitz, Lower Silesia, as well as at a weaving mill in Sorau.

At the same time, the partitions could create new problems should the annexationists inspire German irredentism. Fear of such consequences stayed the Allies from separating the Rhineland from Germany in 1919. But today Rhineland industrialists are said to favor separatism as a means of protecting their capital investment. Transfer of populations might allay the irredentist spirit, but the strain on a dismembered Reich would be severe if it received all the Germans from the areas of partition. It is questionable how long the world would support a policy encouraging economic deterioration in Germany; on February 22 London “financial circles” expressed alarm at the prospect of inflation in the Reichsmark, several million of which are held by the Allies as a result of expenditures in areas the Nazis once occupied.

The Allies have yet to decide on the economic future of Germany. Dr. Rudhard Duisberg, manager of the Chamber of Commerce and Industry, Frankfurt a. M., said on April 7 that German industry could

Contents of this BULLETIN may be reprinted with credit to the Foreign Policy Association.

make a quick recovery after the war if the Allies permitted it. The Yalta Agreement declared that the United States, Britain and the Soviet Union were determined to "eliminate or control all German industry that could be used for military production." Whether to eliminate or control is a difficult choice. The United States government is undetermined about its own attitude, although it is reported that the Cabinet committee on Germany favors the Morgenthau plan for removal of German heavy industry. However, President Truman at his press conference on May 2 professed ignorance about the standing of the "Morgenthau Plan." The decision about German reparations will also determine to some degree the nature of Germany's post-war economy. The Yalta Agreement authorized a commission on reparations and President Truman has appointed Edward Pauley as the American member, but the group has not yet begun to act.

GERMAN POLITICAL PROBLEM. The present temper of the governments of the United Nations presages a long political watch over Germany. Representative Andrews, Republican of New York, disclosed on May 5 that the United States Army

intended to keep 350,000 to 400,000 men in Europe to police occupied territory. The manner of the war's ending prepares the way for the accomplishment of two Yalta political aims—"to destroy German militarism and Nazism." Allied terms for the cessation of hostilities will demand the disbandment of the German armed forces, which defeat has demoralized, and the breaking-up of the German General Staff. These moves, in addition to the partitions, would suspend the influence of the Prussian Junker class, which thrice in a century has pushed Germany toward major wars. The problem of the victors will be to oversee Germany in such a manner that Junker influence is eliminated and National Socialism does not revive. An unnamed American Army officer said on May 3 that a German democracy would have to be built through leaders from the political prisoners in horror camps like Buchenwald, from whose number on May 1 the new mayor of Weimar was chosen. The most important need in Germany is that the four occupying powers—the United States, Britain, Russia and France—agree on a common economic and political policy. The outlook for peace depends on their unity. **BLAIR BOLLES**

FRAMING OF UNITED NATIONS CHARTER PROCEEDS DESPITE FRICTIONS

SAN FRANCISCO.—Now that the four main commissions of the Conference—General Provisions, General Assembly, Security Council, and Judicial Organization—are hard at work in an attempt to reconcile the amendments to the Dumbarton Oaks proposals submitted by the various nations, and to incorporate them into a Charter, the political clashes of the opening days can be seen in better perspective. The most realistic way to appraise these clashes is to think of this Conference as what, in essence, it is—a political convention. As we know from our experience with the conventions of Republicans and Democrats, such gatherings are invariably marked by behind-the-scenes maneuvers, struggles that end in compromises, and occasionally episodes which in private life would be regarded as sharp dealing.

NO MORAL ISSUES RAISED. In the clash over Argentina neither side could lay claim to moral principles. The Latin American countries considered that they had an obligation to Argentina to press for its admission into the United Nations organization once it had signed the Act of Chapultepec and declared war on the Axis. By no means all of them approve of the Farrell government. But they are determined there should be no intervention by the United States, or any other country, in their internal affairs—and were ready to give Argentina the benefit of this policy. Other considerations, too, entered the picture. The Latin Americans regard Argentina as a counterweight to the United States. For that very reason, it was politically difficult for this country to oppose

Argentina's admission. At the same time, many Latin Americans still feel hostile toward Russia, and even non-practicing Catholics among them continue to stress the "godlessness" of the Soviet government. The Latin Americans, if left to their own decisions, would have opposed the admission of the Ukrainian and White Russian Soviet Socialist Republics. They voted for it because they had been informed that the United States had obligated itself at Yalta to back Russia's request for the entrance of these republics into the UNCIO. But in return they expected other nations present to vote for Argentina.

Russia's position in opposing Argentina would have been far stronger if it had not linked the issue with that of seating the Warsaw government. Mr. Molotov was on firm and popular ground when he questioned the character of the Farrell government in his ironical address to the Conference on April 30. But others, with equal plausibility, could question the representative character of the Warsaw régime. What is more important, Mr. Molotov had told several of the Latin American delegates over the preceding weekend that he would vote for Argentina if they voted for Warsaw. The Latin Americans refused to be pressured, and some of the strongest words addressed to Russia since 1941 were those of Colombian Foreign Minister Lleras Camargo.

CLASH CLEARED AIR. So far as can be determined at the present time, this clash had beneficial results. Mr. Molotov, unaccustomed to the tactics of parliamentary opposition, took the decision of the

Conference with good grace. But he humorously commented that the Latin Americans and the United States voted as one bloc—intimating that the countries south of us were acting as satellites. This has challenged the Latin Americans to demonstrate that they are by no means always in accord with the United States, and may vote differently on other issues that come up in the future.

Russia, for its part, is in the process of adjusting itself to the methods and responsibilities of an international organization where small nations as well as great ones must have a voice if the organization is not to become a great-power dictatorship. This involves adjustments on the part of the Soviet government that should not be minimized. Russia has reached a high-water mark in both power and influence, and it wants to maintain that position in the post-war period. But to do this successfully it will have to develop at least some of the outward restraints Britain and the United States have learned to regard as necessary in relations with other nations. The best thing that can happen is to have Russia become so intimately associated with other nations in an international organization that it will feel ever-growing responsibility for the success of that organization. For this reason Mr. Molotov's participation as co-chairman of the Conference should be welcomed.

THE TWO POLICIES OF U.S. From the American point of view, the most striking aspect of the Argentine episode was the distinction it revealed between our policy in Latin America and our policy in Europe. In Latin America, according to government spokesmen, we are against intervention in the internal affairs of the American republics, and we acknowledge the practical difficulties of establishing

democratic institutions among peoples who are still economically undeveloped, and to a considerable extent illiterate. In Europe, we have now recognized the need to accept political responsibility for the results of our military operations. This means, in practice, a policy of intervention—preferably in concert with Russia and Britain, as agreed at Yalta—in the internal affairs of some nations, accompanied by insistence that they should adopt democratic institutions. Actually, as this Conference has amply demonstrated, the closer the United Nations come together, the more difficult it is to draw a sharp dividing line between internal and external policies.

In a Conference which in spite of a few dramatic high spots got off to an unusually good start, the least happy role is probably that of France. The French took so long to formulate their position—and then only in very negative terms—that they at first had little influence on the main negotiations. It was a mistake for France to have declined a place among the sponsoring powers. Now, however, France's position has been strengthened by its inclusion, at its own request, in the highest policy meetings of the convening powers.

But in spite of frictions inevitable in any gathering of human beings, the work of framing the Charter of the UNIO is well under way. The end of the war in Europe makes it imperative for all to get ready the tools of peace. As Commander Stassen, who is emerging as the key figure in the United States delegation, has said, we must keep our sights high, and not allow ourselves to be distracted by details. The new Polish crisis, bad as its effect is bound to be on American and British public opinion, is not expected to jeopardize the work of the Conference.

VERA MICHELES DEAN

LIBERATED ITALY TACKLES COMPLEX PEACE ISSUES

For a moment Italy held the stage during the last dramatic convulsions of the European Axis. Now once more it has retreated into comparative obscurity. So it was during the whole Italian campaign, from the landing in Sicily in July 1943 until the firing ceased May 2, 1945. The "forgotten front," it was called. Yet the fighting, which was among the bitterest and most difficult of the European war, never ceased. Nor did the problems of Allied occupation and administration, or of Italian adjustment to the tragic consequences of war, fail to accumulate. Misfortune and difficulty in the Italian peninsula were concealed from most of us only because the center of greatest danger was elsewhere. This may well happen, too, in the days of peace ahead. But issues will be there in abundance, and the way in which they are met by the Allies and the Italian people themselves will be important in the shaping of a stable European order.

It is not yet possible to estimate what remnants of political Fascism will have been left behind. They are doubtless small and will continue to grow steadily smaller as the Partisans of the North proceed with summary justice. Reports of reprisals in the Milan area alone during recent days range from one to five thousand. In any case, the Duce of Fascism is gone, a fact so fully documented that no doubt can be cast upon it. There will be no myth of a "second coming" to hold his scattered followers together. They are leaderless, discredited, and totally defeated. It remains to be seen how many of the more fanatical adherents will escape punishment or how many, if any at all, will be able to insinuate themselves into the new, emerging régime.

It was fortunate for Italy's economic future that the conquest of the North was effected so speedily and under such circumstances that the German forces were unable to commit acts of sabotage such as had

characterized their earlier, orderly retreats. Here in the fertile valley of the Po are the richest agricultural lands of Italy; and here too are the great industrial centers, such as Milan and Turin, and the great commercial cities of Genoa and Venice. The damage wrought by Allied bombing and by enemy action, although undoubtedly extensive, still leaves the bulk of the economy substantially intact. This will speed recovery for the whole peninsula, although the problem of recovery will long remain acute.

POLITICAL CONSEQUENCES OF VICTORY.

At least some of the political consequences of victory in Italy can be measured now. Several months ago Prime Minister Bonomi indicated that his government would retire when the North had been liberated. Discussions are already in progress between the Bonomi Cabinet and representatives of the Committee of Liberation of the North. There will undoubtedly be a reorganization, if not a totally new government, and, if one may judge from the earlier activities of the Committee, whatever compromise is made will be in the direction of the Left. This Committee, like its counterpart in Rome, is made up of six parties, although in the North the Republican party takes the place of the conservative Democracy of Labor party. The concentration is definitely on the Left, a fact confirmed as recently as the middle of April, when it was announced that the Christian Democratic party in the North had agreed to close collaboration with the Communists and Socialists. In Rome the Christian Democrats have taken the middle ground and are a conservative force.

Whatever the changes in the government, two important political questions will claim the attention of the Italian people during the next several months. The first is the future of the Savoy dynasty. Crown Prince Umberto, Lieutenant General of the Realm, has clung tenaciously to his prerogatives and seems disposed to stage a strong fight for preservation of the monarchy. His recent appearance at Bologna, where he was apparently well received, and at Milan, where an attempt was made on his life, indicate an effort on his part to test public sentiment. It is too early to estimate this accurately, although the tide continues to flow in the direction of a republic.

The second question will be that of elections for a Constituent Assembly. The government at Rome has been planning for these for some time. But elections can scarcely be conducted in the very near future, and certainly not until the Allied authorities

are prepared to permit them. In passing, it might be noted that when they do come, women will for the first time in Italian history have the right to vote in national elections.

ITALO-YUGOSLAV RELATIONS. Important as the economic and political problems of Italy will be in the immediate future, they are scarcely more delicate or dangerous than the problem of Italo-Yugoslav relations. From the time Fascist Italy entered the war on the side of the Axis, Yugoslav authorities have been laying claim to the territory of Venezia Giulia. This region, east of the Isonzo, including the ports of Trieste and Fiume, was acquired by Italy after much dispute at the end of World War I. Its population is mixed Italian and Slavic, with the Italians predominant in the cities and the Slavs predominant in the hinterland. So mixed are the populations that an exact ethnographic boundary which would satisfy both peoples cannot be drawn; and both lay claim to it on economic and historic as well as ethnic grounds.

Italian leaders at Rome have expressed alarm more than once at the official pronouncements of Marshal Tito indicating Yugoslavia's intention to annex this territory. These fears were particularly marked when, during the first week of May, an official communiqué from Tito's headquarters announced that Trieste and Fiume had been captured by Partisan forces. The Italian government protested this action and called on the Allies to administer the region until both the Yugoslav and Italian peoples could give expression to their wishes. British forces under Lieutenant General Freyberg occupied Trieste on May 2 and effected the surrender of German forces there. This action, in turn, evoked a strong protest from Marshal Tito.

The problem of Trieste is extremely delicate and will require the highest qualities of statesmanship for its solution. It is the outlet for a deep hinterland which is neither Yugoslav nor Italian, and as an important port it will be essential to the Allies as long as the policing of Europe is necessary. It is an intensely Italian city, although the surrounding country is Slavic, and it may be assumed that its disposition will profoundly influence Italian national sentiment. On the other hand, the oppressions which the Slavs endured during Fascist administration and later during military occupation will undoubtedly steel the determination of Tito's government to secure its control.

C. GROVE HAINES